11. **Financial position.**—The cash balance at the end of 1112 according to the Revised Estimates is anticipated to stand at Rs. 28·37 lakhs and at Rs. 7·75 lakhs at the end of 1113. An asset and liability statement is attached to the budget statement. At the end of 1113, it is expected that we would have a total asset of Rs. 251·96 lakhs against a liability of Rs. 146·29 lakhs leaving us a net asset of Rs. 105·67 lakhs.

12. **Ways and means.**—It would be found from the asset and liability statement attached to the budget estimates that our general revenue surplus at the end of next year according to the budget proposals would be Rs. 21·94 lakhs and the outstanding balance from Loans Rs. 78·41 lakhs, totalling Rs. 100·35 lakhs after providing for Rs. 7·35 lakhs for capital works. It may be remembered from speeches made by the Diwan so very clearly in previous sessions that our commitments for the 4th Stage Harbour Works were Rs. 44·34 lakhs from the resources of the State by way of advance and almost an equal amount by loans offered by the Government of India. At the end of the next year, according to the budget proposals, we would have advanced for the purpose Rs. 64·14 lakhs against the State's share of Rs. 44·34 lakhs, i. e., Rs. 19·80 lakhs in excess against the offered loan of the Government of India thereby reducing our interest charge on Loans as much as possible. As the Harbour requirements are not possible of being gauged sufficiently in advance it is proposed by way of safeguard to take a portion of the offered loan from the Government of India to the extent of Rs. 15·00 lakhs in the course of next year. Thus our ways and means policy has been carefully cast with a view to reduce our debt charges to the minimum possible.

13. To resume—The budget presented before you may not be considered optimistic. But it must be remembered that as we have to go abreast of other countries, a go-ahead policy has been adopted for the last two years and our commitments have been necessarily large. The sources of the State's revenues are inelastic—rather restricted. 'Land Revenue' which has been our staple revenue for long years after the last settlement shows sign of stagnation. There can be any increase in it only by a resettlement or a permanent settlement and by taxation of all lands not under cultivation in the form of a ground rent. Any augmentation of 'Excise Revenue' which is said to be hot money cannot be expected. 'Customs' which has been the bulwark of our resources shows signs of sagging, the State's share being dependent on the tariff policy adopted by the Government of India; sugar, for example, has ceased to bring in

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